### MEMORANDUM

TO:

**County Council** 

FROM:

Josh Hamlin, Legislative Attorney

Robert H. Drummer, Senior Legislative Attorney

SUBJECT:

Introduction: Bill 28-13, Elected Officials – Compensation

Bill 28-13, Elected Officials – Compensation, sponsored by the Council President at the request of the Committee to Study Compensation of the County Executive, County Council, Sheriff and State's Attorney (Committee), is scheduled to be introduced on October 1. A public hearing is scheduled for October 22 at 1:30 p.m.

Bill 28-13, as introduced, reflects the recommendations of the Committee, and would increase the compensation of the County Executive and County Council. The Council will consider whether to accept or modify any of the changes recommended by the Committee after the scheduled public hearing.

In the third year of its term of office, consistent with past practice, the Council established the Committee by Resolution No. 17-563 on October 16, 2012. The Council is authorized to set the compensation for Councilmembers and the Executive by Charter Sections 107 and 204. State law authorizes the Council to set the compensation for the Sheriff and the State's Attorney. Article III, Section 35 of the Maryland Constitution prohibits an increase or decrease in the salary of these elected officials during their term of office. The Council appointed 7 volunteer residents to the Committee by Resolution No. 17-686 on February 26, 2013. The Committee studied this matter for 7 months and issued a final report in September 2013.

Bill 28-13 would make the following changes:

County Executive: Increase salary to \$190,000 beginning on December 1, 2014 and, for the remaining three years, by the CPI increase, if any. With the recommended salary of

A copy of the report is available at:

http://www6.montgomerycountymd.gov/content/council/pdf/reports/2013\_compensation\_committee\_report.pdf

The annual average percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore Metropolitan Area, or any successor index, for the 12 months preceding September 1 of that year.

\$190,000 at the start of the next term, the Committee projected the following salary estimates for the next four years:<sup>3</sup>

Current (effective 12/3/12)	Previously approved (Bill 36-09) 12/2/2013 (2.28%)	12/1/2014 (2.35%)	12/7/2015 (2.45%)	12/5/2016 (3.0%)	12/4/2017 (3.3%)
\$180,250	\$184,360	\$190,000	\$194,655	\$200,495	\$207,111

**Councilmembers:** Increase salary to \$125,000 beginning on December 1, 2014 and, for the remaining three years, by the CPI increase,<sup>4</sup> if any. With the recommended salary of \$125,000 at the start of the next term, the Committee projected the following salary estimates for the next four years:<sup>5</sup>

	Current (effective 12/3/12)	Previously approved (Bill 36- 09) 12/2/2013 (2.28%)	12/1/2014 (2.35%)	12/7/2015 (2.45%)	12/5/2016 (3.0%)	12/4/2017 (3.3%)
Councilmembers	\$104,022	\$106,394	\$125,000	\$128,063	\$131,905	\$136,258
Council President <sup>6</sup>	\$114,425	\$117,034	\$137,500	\$140,869	\$145,095	\$149,883

The Committee recommended retaining the existing Code provisions governing the compensation of the Sheriff and the State's Attorney. Under these provisions, the compensation of the Sheriff and the State's Attorney will be adjusted as follows:

**Sheriff:** Increase salary in each year of the next term, beginning on December 1, 2014, by the CPI increase, 7 if any. The Committee projected the following salary estimates for the next four years: 8

Salary projections for December 2013, 2015, 2016 and 2017 are estimates and are based on the County Finance Department's projections for the change in the CPI-U for those years.

http://montgomerycountymd.gov/OMB/Resources/Files/omb/pdfs/fy14/psprec/psp-revenue.pdf, page 5-4

See note 2.

See note 3.

The Council President currently receives 10% more than the other Councilmembers. The Committee recommended that the Council President continue to receive the 10% differential.

See note 2.

See note 3.

Current (effective 12/3/12)	Previously approved (Bill 36-09) 12/2/2013 (2.28%)	12/1/2014 (2.35%)	12/7/2015 (2.45%)	12/5/2016 (3.0%)	12/4/2017 (3.3%)
\$154,000	\$157,234	\$160,929	\$164,872	\$169,818	\$175,422

**State's Attorney:** Increase salary in each year beginning on January 5, 2015, through 2018, by the CPI increase, if any. The Committee projected the following salary estimates through 2018:<sup>10</sup>

Current Term (effective 1/7/13)	Previously approved (Bill 36-09) 1/6/2014 (2.28%)	1/5/2015 (2.35%)	1/4/2016 (2.45%)	1/2/2017 (3.0%)	1/2/2018 (3.3%)
\$199,000	\$203,537	\$208,320	\$213,423	\$219,825	\$227,079

The Committee did not recommend changes in the current benefit packages for any of these elected positions.

Bill 28-13 also would clarify (but in our opinion not substantively change) the current law governing annual CPI adjustments to the salaries of the County Executive, County Council, Sheriff, and State's Attorney. Annual adjustments are based on any increase in the CPI-U, and will continue each year unless modified by the enactment of a new law.

This packet contains:	<u>Circle #</u>
Bill 28-13	1
Legislative Request Report	5

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See note 2.

Salary projections for January 2014, 2015, 2016, 2017, and 2018 are estimates and are based on the County Finance Department's projections for the change in the CPI-U for those years. <a href="http://montgomerycountymd.gov/OMB/Resources/Files/omb/pdfs/fy14/psprec/psp-revenue.pdf">http://montgomerycountymd.gov/OMB/Resources/Files/omb/pdfs/fy14/psprec/psp-revenue.pdf</a>, page 5-4

Bill No	<u> 28-13</u>	
Concerning	Elected	Officials -
Compe	nsation	
Revised:	9/26/2013	_ Draft No4_
Introduced:	October 1.	2013
Expires:	April 1, 20	15
Enacted: _		
Executive:		
Effective: _		
Sunset Date	9:	
Ch.	Laws of Mont.	Co.

# COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President on behalf of the Committee to Study the Compensation of the County Executive, County Council, Sheriff, and State's Attorney

## AN ACT to:

- (1) modify the compensation of the County Executive and County Council;
- (2) clarify the Code provisions governing annual adjustments to the compensation of the County Executive, County Council, Sheriff, and State's Attorney; and
- (3) generally amend the law relating to compensation of elected officials.

## By amending

Montgomery County Code Chapter 1A, Structure of County Government Section 1A-106

Chapter 2, Administration Sections 2-7 and 2-123A

**Boldface** Heading or defined term.

<u>Underlining</u>
Added to existing law by original bill.

[Single boldface brackets]

Deleted from existing law by original bill.

Double underlining Added by amendment.

[[Double boldface brackets]] Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

The County Council for Montgomery County, Maryland approves the following Act:

1	Sec.	1. Sec	etions 1A-106, 2-7, and 2-123A are amended as follows:
2	1A-106. Sa	alaries	of the County Executive and Councilmembers.
3	(a)	Sala	ry of County Executive. Except as provided in subsection (c), the
4		Cour	nty Executive must receive an annual salary of \$190,000 beginning
5		on D	<u>ecember 1, 2014</u> [:
6		(1)	\$175,000 beginning on December 7, 2009; and
7		(2)	\$180,250 beginning on December 3, 2012].
8	(b)	Salai	ry of Councilmembers.
9		(1)	Except as provided in paragraph (2) and subsection (c), a
10			Councilmember must receive an annual salary of \$125,000
11			beginning on December 1, 2014 [:
12			(A) \$94,595 beginning on December 6, 2009;
13			(B) \$99,325 beginning on December 5, 2011; and
14			(C) \$104,291 beginning on December 3, 2012].
15		(2)	The Council President must receive an additional amount equal
16			to 10% of the salary of other Councilmembers.
17	(c)	Annı	ual adjustments.
18		(1)	Beginning on [December 2, 2013] December 7, 2015, the
19			salaries of the Councilmembers must be [increased]
20			adjusted annually on the first Monday in December by the
21			annual average percentage increase, if any, in the Consumer
22			Price Index for All Urban Consumers for the Washington-
23			Baltimore Metropolitan Area, or any successor index, for the 12
24			months preceding September 1 of that year.
25		(2)	Beginning on [December 2, 2013] <u>December 7, 2015</u> , the salary
26			of the County Executive must be [increased] adjusted annually
27			on the first Monday in December by the annual average

28		percentage increase, if any, in the Consumer Price Index for All
29		Urban Consumers for the Washington-Baltimore Metropolitan
30		Area, or any successor index, for the 12 months preceding
31		September 1 of that year.
32		. * * *
33	2-7. Locati	on of Sheriff's office; compensation of Sheriff; required use of
34	vehicle.	
35		* * *
36	(b) .	Salary.
37	(	(1) Except as provided in paragraph (2), beginning on December 6,
38		2010, the Sheriff must receive an annual salary of \$154,000.
39	(	(2) Beginning on December 2, 2013, the Sheriff's salary must be
40		[increased] adjusted annually on the first Monday in December
41		by the annual average percentage increase, if any, in the
42		Consumer Price Index for All Urban Consumers for the
43		Washington-Baltimore Metropolitan Area, or any successor
44		index, for the 12 months preceding September 1 of that year.
45		* *
46	2-123A. Cor	npensation of the State's Attorney.
47	(a) l	Except as provided in subsection (b), beginning on January 3, 2011,
48	·	the State's Attorney must receive an annual salary of \$199,000.
49	(b) I	Beginning on January 6, 2014, the salary of the State's Attorney must
50	ł	be adjusted annually on the first Monday in January by the annual
51	г	average percentage increase, if any, in the Consumer Price Index for
52	I	All Urban Consumers for the Washington-Baltimore Metropolitan
53	A	Area, or any successor index, for the 12 months preceding September
54	1	of that year.

Sec. 2. Transition.					
The County Executive and each Councilmember must receive the salaries					
authorized by Section 1A-106 before being amended by this Act until those salaries					
are increased under Section 1A-106, as amended by Section 1 of this Act.					
Approved:					
Nancy Navarro, President, County Council	Date				
Approved:					
Isiah Leggett, County Executive	Date				
This is a correct copy of Council action.					
	•				
Linda M. Lauer, Clerk of the Council	Date				

#### LEGISLATIVE REQUEST REPORT

Bill 28-13
Elected Officials - Compensation

DESCRIPTION:

To modify the compensation of the County Executive and County

Council, and clarify the Code provisions governing annual

adjustments to the compensation of the County Executive, County

Council, and Sheriff

PROBLEM:

The Council is authorized to set the compensation for the

Councilmembers and the Executive by Charter Sections 107 and 204. State law authorizes the Council to set the compensation for the Sheriff and the State's Attorney. Article III, Section 35 of the

Maryland Constitution prohibits changes in the salary of these elected

officials during their term of office.

GOALS AND OBJECTIVES:

In the third year of its term, consistent with past practice, the Council established the Committee to Study the Compensation of the County

Executive, County Council, Sheriff, and State's Attorney

(Committee) by Resolution No. 17-563 on October 16, 2012. The Council appointed 7 volunteer residents to the Committee by Resolution No. 17-686 on February 26, 2013. This Bill would

implement the recommendations of the Committee.

**COORDINATION:** 

Committee to Study the Compensation of the County Executive,

County Council, Sheriff, and State's Attorney

FISCAL IMPACT:

To be requested.

ECONOMIC IMPACT:

To be requested.

**EVALUATION:** 

To be requested.

EXPERIENCE ELSEWHERE:

See September 2013 Committee Report

SOURCE OF

INFORMATION:

Josh Hamlin, Legislative Attorney

APPLICATION

WITHIN

**MUNICIPALITIES:** 

Not applicable.

PENALTIES:

None.